

Docket

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Federal Communications Commission
Washington, D.C. 20554

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DEC 3 - 1996

Federal Communications Commission
Office of Secretary

The Honorable Porter Goss
U. S. House of Representatives
2000 Main Street, Suite 303
Fort Myers, Florida 33901

Dear Congressman Goss:

Thank you for your letter dated October 10, 1996, on behalf of your constituent, Michael Bicknese, regarding the Commission's policies for licensing 800 MHz Specialized Mobile Radio (SMR) systems. Mr. Bicknese is concerned that the Commission's proposals in the Further Notice of Proposed Rule Making (Further Notice) in PR Docket No. 93-144 will adversely affect operators of smaller SMR systems. Mr. Bicknese is particularly concerned about the proposed use of competitive bidding procedures to award 800 MHz SMR licenses.

On December 15, 1995, the Commission adopted a First Report and Order, Eighth Report and Order, and Second Further Notice of Proposed Rule Making (First Report and Order) in PR Docket No. 93-144. The First Report and Order was adopted after consideration of extensive comments from all segments of the SMR industry, including comments from numerous small SMR operators. The Commission's decision also reflects months of work by Commission staff with SMR industry representatives in an effort to achieve consensus on key issues. As a result, the First Report and Order contains numerous provisions and proposals that are responsive to the concerns of existing SMR operators and those operating smaller systems, in particular. These include giving incumbent licensees greater flexibility within their existing service areas, allowing small businesses to pay auction bids in quarterly installments over the license term, and a proposal to designate the "lower 80" and General Category channels as an "entrepreneurs' block" for which only small businesses would be eligible. For your convenience and information, enclosed is a copy of the Press Release concerning the First Report and Order, which includes a summary of the principal decisions and proposals made.

The Commission's decision to auction 800 MHz SMR spectrum is consistent with Section 309(j) of the Communications Act, which sets forth certain criteria for determining when auctions should be used to award spectrum licenses. Pursuant to these criteria, auctions are to be used to award mutually exclusive initial licenses or construction permits for services likely to involve the licensee receiving compensation from subscribers. The statute also requires that the Commission determine that auctioning the spectrum will further the public interest objectives of Section 309(j)(3) by promoting rapid development of service, fostering competition, recovering a portion of the value of the spectrum for the public, and encouraging efficient spectrum use. The Commission has concluded that auctioning of SMR licenses satisfies these criteria. In particular, we believe that auctions will minimize administrative or

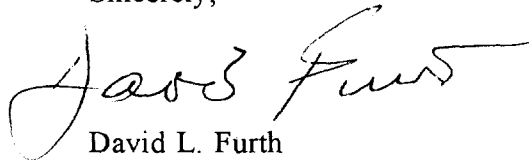
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judicial delays in licensing, particularly in comparison to other licensing methods such as comparative hearings, lotteries (which are specifically prohibited by the statute if the service is auctionable), or "first-come, first-served" procedures. We note that the statute does not distinguish between new services (such as Personal Communications Services) and existing services in terms of whether initial licenses in a given service are auctionable.

Significantly, however, the Commission's decision to use auctions applies only to issuance of initial licenses in the service, and is not intended to affect rights afforded to licensees under existing authorizations. While we recognize that the high level of existing licensing in the SMR service raises additional concerns, we believe auctions are an appropriate licensing mechanism in such an environment. First, auctions will only be used in the event that there are competing applications for the same license. Second, where auctions do occur, we have adopted special provisions, including installment payments, designed to ensure that small businesses are able to compete in the auction and in the provision of SMR service.

Thank you for your inquiry.

Sincerely,

A handwritten signature in cursive script, appearing to read "David L. Furth".

David L. Furth
Chief, Commercial Wireless Division
Wireless Telecommunications Bureau

Enclosure



Federal Communications Commission
Compliance & Information Bureau
2203 N. Lois Avenue Suite 1215
Tampa, FL 33607

PRB
PK-800M12
5956

October 16, 1996

The Honorable Porter Goss
U.S. House of Representatives
2000 Main Street, Suite 303
Ft. Myers, FL 33901

Dear Congressman Goss:

Thank you for contacting our office on behalf of your constituent, Mr. Michael Bicknese of Cape Coral, Florida.

Your inquiry is being forwarded to the Chief of the Compliance and Information Bureau for coordination with the appropriate staff at our headquarters office in Washington, DC. You should receive a response within the next 30 days.

Sincerely,

Kimberly D. Silva
Kimberly D. Silva
Public Affairs Specialist

PORTER GOSS
14TH DISTRICT, FLORIDA

108 CANNON BUILDING
WASHINGTON, DC 20515-0913
(202) 225-2536

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Congress of the United States
House of Representatives
Washington, DC 20515-0914

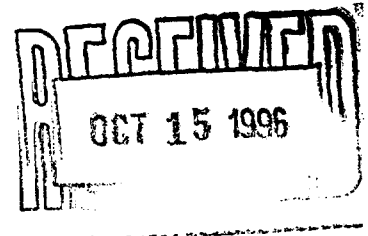
October 10, 1996

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PUNTA GORDA
(941) 639-0051

Mrs. Kimberly Silva
Federal Communications Commission
2203 N. Lois Ave.
Suite 1215
Tampa, Florida 33607



RE: Name: Mr. Michael Bicknese
 Address: 1101 S.E. 12th Avenue, Unite B
 Cape Coral, Florida 33990

Claim/File #:

Dear Friend:

Enclosed please find correspondence from the referenced constituent.

I would appreciate your immediate review of the concerns addressed in this correspondence and your prompt response as to what action will be taken by your office.

As I would like to respond to Mr. Bicknese as soon as possible, may I extend my thanks in advance for your prompt attention to this matter.

Please reply to Joanna Cunningham in my Fort Myers District office at the above address.

Kindest regards,

A handwritten signature in dark ink, appearing to read "Porter", written in a cursive style.

Porter Goss
Member of Congress

PG:jc
Enclosure



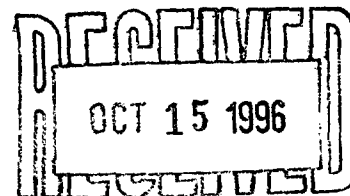
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Everglades Communications of Lee County, Inc.

Post Office Box 1362, Cape Coral, Florida 33910
1101 S.E. 12th Avenue Unit B., Cape Coral, Florida 33990
Bus 941-772-3622 • Fax 941-772-3966

October 8, 1996

United States Representative
Porter Goss
2000 Main Street
Fort Myers, Florida 33901



Dear Representative Goss;

Enclosed you will find a copy of a letter that was sent to Chairman Reed Hundt of Federal Communications Commission. You will see that I have expressed my concern as a businessman in Lee County, about the communications dilemma all business people face, that use two way radio equipment. In the near future a large, Investor backed corporation, is going to change the format of the 800 megahertz trunking band from systems that are compatible to radios that are currently be used by thousands of business people in the SW Florida area. I understand that time are a changing, but you just can't force people to change when they don't want to.

At this time there is freeze on the 800 megahertz frequencies, the FCC will unfreeze those frequencies, and put them out to bid, and return an extraordinary amount of money that goes into the general fund, if I am not mistaken. When speaking to my customers, they are outraged and can not believe that this can happen. I understand that congress was involved in the decision to allow the FCC to auction licenses.

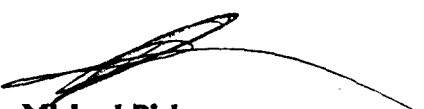
Representative Goss, my business partner and I would like to know what is a small business to do. Five years ago you could acquire a license at a vary reasonable fee. Are those days gone? "We the people of the United States". Do we not own these Frequencies? Than if not, who does?

All we want is a fare chance for the businesses of SW Florida.

I would like to hear what you have to say.

Thank you for your time and look forward to hearing from you.

Best Regards



Michael Bicknese
Vice President
Everglades Communications
of Lee County, Inc.



Everglades Communications of Lee County, Inc.

Post Office Box 1362, Cape Coral, Florida 33910
1101 S.E. 12th Avenue Unit B., Cape Coral, Florida 33990
Bus 941-772-3622 • Fax 941-772-3966

October 8, 1996

Federal Communications Commission
Mr. Reed Hundt, Chairman
1919 M Street NW
Washington, DC 20554-0001

COPY

Dear Mr. Chairman;

I would like to express my concerns on behalf of my customers and my colleagues, who are caught behind the 800 MHZ SMR trunking stonewall. I, along with my business partner, provide radio sales and service to our customer base, ranging from VHF to 800 MHZ LTR trunking systems. We are currently a two man operation wanting to grow and hire on employees from office staff to field engineers, but unfortunately our capital, as a small business, falls far short of what the FCC requires for licensing. I know it takes a bit of money to construct and maintain SMR systems, but without that all important piece of paper saying that the FCC has granted a license, our pockets remain empty.

Our interest is in obtaining 800 MHZ trunking channels for the Lee County area of Florida, although I know that there is currently a freeze on thoughts frequencies, I find it hard to believe that they are all in use in this area. I also know of the changing format that is going to take effect in the not to distant future, by a much larger corporation that is backed by private investors. In speaking with our customers (mostly construction and service orientated.), they feel that they are being forced into a change that they do not want nor believe they need. Our all important goal is to provide a future for our customers and continue to offer affordable radio communications.

Everglades Communications of Lee County, Inc., is a legitimate business, and is unfortunately being held from growing to meet the needs of many. Is there any assistance from the Federal Communications Commission? Can a small business make it in this quickly changing technological world of ours? This country was built by small businesses and will hopefully continue to grow because of small businesses.

Thank you for your time and I look forward to your reply.

Best Regards.

Michael Bicknese
Vice President
Everglades Communications
of Lee County, Inc.

cc:

Commercial Wireless Division
BWoolford

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